

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2023 REGULAR SESSION**

MEASURE

2023 BR NUMBER 321

SENATE BILL NUMBER 33/GA

TITLE AN ACT relating to the Kentucky Cybersecurity Center.

SPONSOR Senator Michael J. Nemes

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: University of Louisville

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED KentuckyCyber Fund

FISCAL ESTIMATES	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		Indeterminable	Indeterminable
EXPENDITURES		Indeterminable	Indeterminable
NET EFFECT		Indeterminable	Indeterminable

() indicates a decrease/negative

PURPOSE OF MEASURE: This measure establishes the Kentucky Cybersecurity Center (KentuckyCYBER) at the University of Louisville, provides duties and responsibilities for KentuckyCYBER, and establishes a fund.

FISCAL EXPLANATION: The legislation creates a trust and revolving fund known as the KentuckyCYBER fund which shall consist of moneys appropriated by the General Assembly, contributions, gifts, or grants. The fund will also be excluded from the comprehensive funding model for the public postsecondary education system.

The cybersecurity center has the potential for generating Restricted & Federal Fund revenue by competing for cybersecurity projects funded by the federal government and private industry. For fiscal year 2023, there likely would not be enough time left in the year to establish any additional third-party contracts. However, in fiscal year 2024 and in future years, there is an opportunity to generate revenue. Without knowing the number of potential companies, projects, or participants, the amount of projected revenue is indeterminable.

The net fiscal impact of this measure is indeterminable and will be based on the cost to build the infrastructure, hire staff, and the ability to collect revenue.

DATA SOURCE(S): LRC Staff

PREPARER: Justin Smith **NOTE NUMBER:** 111 **REVIEW:** JAB **DATE:** 3/11/2023